

RESOLUTION NO. 4 5 1 4

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
AUBURN, WASHINGTON, AUTHORIZING THE MAYOR
AND CITY CLERK TO EXECUTE CONTRACT FOR
PURCHASE AND SALE BETWEEN THE CITY OF
AUBURN AND ANDREY AND NADYA IVANTSOV FOR
REAL PROPERTY

WHEREAS, Andrey and Nadya Ivantsov are the owners of certain real property located in the City of Auburn commonly known as 2 West Main Street, Auburn, Washington; and

WHEREAS, Andrey and Nadya Ivantsov desire to sell this property to the City of Auburn and the City of Auburn desires to purchase this property; and

WHEREAS, the City of Auburn and Andrey and Nadya Ivantsov have negotiated an agreement which would be beneficial to both parties at a cost that is acceptable to the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, KING COUNTY, WASHINGTON, HEREBY RESOLVES as follows:

Section 1. The Mayor of the City of Auburn and the Auburn City Clerk are hereby authorized to execute a Contract for Purchase and Sale between the City of Auburn and Andrey and Nadya Ivantsov which contract shall be in substantial conformity with the Contract for Purchase and Sale attached hereto, marked as Exhibit "A" and incorporated herein by this reference.

Section 2. The Mayor is hereby authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

Section 3. This resolution shall be in full force and effect upon passage and signatures hereon.

Dated and Signed this _____ day of _____, 2009.

CITY OF AUBURN

PETER B. LEWIS
MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney

CONTRACT FOR PURCHASE AND SALE

THIS AGREEMENT is made and entered into this ____ day of ____, 2009, by and between the City of Auburn, a municipal corporation of the State of Washington, hereinafter referred to as the "City," and Andrey and Nadya Ivantsov, hereinafter referred to as the "Seller":

WHEREAS, Seller is the owner of certain real property located within the corporate limits of the City of Auburn, Washington, which the City is interested in purchasing and which the Seller is interested in selling.

NOW THEREFORE, THE PARTIES HERETO HEREBY AGREE as follows:

1. DESCRIPTION:

a) The location of the real property being conveyed ("Property") is at 2 West Main Street within the City of Auburn, Washington 98002.

b) The legal description of the Property is described as follows: LOT 1 AND EAST 4 FEET OF LOT 2, BLOCK 2, TOWN OF SLAUGHTER, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 2 OF PLATS, PAGE 56, IN KING COUNTY, WASHINGTON.

c) Parcel Number: 7815700085

d) The Property includes all buildings and improvements located on the Property and all right, title and interest of the Seller in and to adjacent streets, roads, alleys, and rights-of-way, and:

2. PURCHASE-SETTLEMENT PRICE: On Closing, the City shall pay to the Seller the amount of four hundred and sixty thousand dollars (\$460,000).

3. EARNEST MONEY: The City shall deposit into escrow with Chicago Title Insurance Company, 32001 32nd Ave S # 400, Federal Way, WA 98001, a negotiable instrument payable to the bearer in the amount of one thousand dollars (\$1000.00), as earnest money for this Purchase and Sale Contract, and which shall be applied toward the purchase price hereof at closing; Provided that if the Purchase and Sale does not proceed, said negotiable instrument shall be returned to the City forthwith.

4. CONVEYANCE OF PROPERTY: On Closing, the Seller shall convey to the City the above-described Property by statutory warranty deed subject only to matters identified herein.

5. CLOSING DATE: This transaction shall be closed and the deed and other closing papers delivered on the 15th day of October 2009, unless extended by other provisions of Contract, or by written agreement of the Parties. The purchase proceeds and the deed and other closing papers shall be delivered by the parties to the closing agent prior to closing.

6. RESTRICTIONS, EASEMENTS, LIMITATIONS: The City shall take title subject only to: zoning, restrictions, prohibitions and other requirements imposed by governmental authority; easements, encumbrances and restrictions as shown on the Title Report set forth herein below. Any financial encumbrances, liens and security interests on the Property shall be satisfied by the Seller prior to Closing, so that the title to the Property when conveyed shall be free and clear of any said financial encumbrances, liens and/or security interests. If title cannot be made so insurable prior to closing date the earnest money shall, unless City elects to waive such defects or encumbrances, be refunded to the City, less any unpaid costs, and this agreement shall thereupon be terminated.

7. CONDITION OF PROPERTY: Seller makes no representations or warranties, express or implied, concerning the condition of the property. The City is familiar with Property and expressly agrees to accept it "AS IS, WITH ALL FAULTS."

8. ASSIGNABILITY: The City may assign this Contract in whole or in part.

9. EVIDENCE OF TITLE: The City shall be entitled to obtain at its sole cost and expense, a Title Report from a title insurance company mutually acceptable to the City ("Title Company") and an ALTA Form B title commitment ("Title Commitment") accompanied by one copy of all documents affecting the Property, and which constitute exceptions to the Title Commitment.

10. PLACE OF CLOSING: Closing shall be held at Chicago Title Insurance Company, 32001 32nd Avenue South # 400, Federal Way, WA 98001.

11. TIME: Time is of the essence of this Contract. Any reference herein to time periods of less than six (6) days shall in the computation thereof, exclude Saturdays, Sundays and legal holidays, and any time period provided for herein which shall end on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. of the next business day.

12. DOCUMENTS FOR CLOSING: The City shall furnish the deed and closing statements, and the Seller shall furnish any documents necessary to satisfy any financial encumbrances, liens and/or security interests on the Property.

13. EXPENSES: State documentary stamps (Revenue Stamps) which are required to be affixed to the instrument of conveyance, any taxes on the conveyance of real property (Real Estate Excise Tax) and recording fees shall be paid by the City.

14. PRORATION OF TAXES: Real Estate taxes for the year of the closing shall be prorated to the date of closing.

15. RISK OF LOSS: If the improvements are damaged by fire or other casualty prior to closing, and the costs of restoring same does not exceed 3% of the assessed valuation of the improvements so damaged, cost of restoration shall be an obligation of the Seller and closing shall proceed pursuant to the terms of Contract with costs therefor

escrowed at closing. In the event the cost of repair or restoration exceeds 3% of the assessed valuation of the improvements so damaged, the City shall have the option of either taking the Property as is, together with either the said 3% or any insurance proceeds payable by virtue of such loss or damage, or of canceling the Contract and receiving return of deposit(s) made hereunder.

16. MAINTENANCE: Notwithstanding the provisions of Paragraph 15, between Effective Date and Closing Date, all personal property on the premises and real property, including lawn, shrubbery and pool, if any, shall be maintained by the Seller in the condition they existed as of Effective Date, ordinary wear and tear excepted, and the City or City's designee will be permitted access for inspection prior to closing in order to confirm compliance with this standard.

17. PROCEEDS OF SALE AND CLOSING PROCEDURE: The deed shall be recorded, at the City's expense, upon clearance of funds and evidence of marketable title as shown in the title report, per Paragraphs 6 & 9 hereinabove, and the amount of the purchase price shall be held in escrow by the such escrow agent as is mutually agreed upon by the parties for a period of not longer than five (5) days from and after closing date. If the Seller's title is rendered unmarketable, the City shall within said five (5) day period, notify the Seller in writing of the defect and the Seller shall have thirty (30) days from date of receipt of such notification to cure said defect. In the event the Seller fails to timely cure said defect, all monies paid hereunder shall, upon written demand therefor and within five (5) days thereafter, be returned to the City and, simultaneously with such repayment, the City shall vacate the Property and re-convey same to the Seller by special warranty deed. In the event the City fails to make timely demand for refund, it shall take title as is, waiving all rights against the Seller as to such intervening defect except as may be available to the City by virtue of warranties, if any, contained in the deed.

18. ESCROW: Any escrow agent receiving funds is authorized and agrees by acceptance thereof to promptly deposit and to hold same in escrow and to disburse same subject to clearance thereof in accordance with terms and conditions of Contract. Failure of clearance of funds shall not excuse performance by the City.

19. PRORATIONS AND INSURANCE: Assessments, rent, interest, insurance and other expenses and revenue of the Property shall be prorated as of date of closing. The City shall have the option of taking over any existing policies of insurance on the Property, if assumable, in which event premiums shall be prorated.

20. SURVIVAL OF REPRESENTATIONS AND WARRANTIES: The representations and warranties set forth in this Contract shall be continuing and shall be true and correct on and as of the closing date with the same force and effect as if made at that time, and all of such representations and warranties shall survive the closing and shall not be affected by any investigation, verification or approval by any party hereto, or by anyone on behalf of any party hereto.

21. AGREEMENT SUBJECT TO CITY COUNCIL APPROVAL: This Agreement and the City's obligations hereunder, are subject to approval by the Auburn City Council. If not approved by the City Council, any Earnest Money Paid shall be refunded to the City, and this contract shall be null and void.

22. OTHER AGREEMENTS: No prior or present agreements or representations shall be binding upon any of the Parties hereto other than and unless incorporated in this Contract. No modification or change in this Contract shall be valid or binding upon the Parties unless in writing, executed by the Parties to be bound thereby.

EXECUTED on the day and year first above written.

CITY OF AUBURN

SELLER

Peter B. Lewis, Mayor

Andrey Ivantsov

Attest:

Danielle Daskam, City Clerk

Nadya Ivantsov

Approved as to Form:

Daniel B. Heid, City Attorney

STATE OF WASHINGTON)
) ss
COUNTY OF _____)

On this _____ day of _____, 200____, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Peter B. Lewis and Danielle Daskam, to me known as the Mayor and City Clerk, for the City of Auburn, the corporation who executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said City of Auburn, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument on behalf of said municipal corporation.

GIVEN under my hand and official seal this _____ day of _____, 200____.

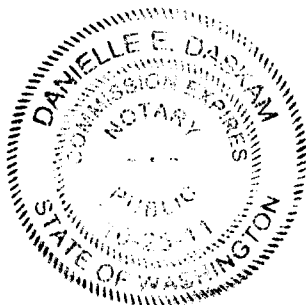
NAME

NOTARY PUBLIC in and for the State of
Washington, residing at _____
My Commission Expires: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

ON THIS 14th day of August, 200 9, before me, personally appeared Andrey and Nadya Ivantsov, to me known to be the party who executed the within and foregoing instrument, and acknowledged said instrument to be his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 14th day of August, 200 9.



Danielle E Daskam
NAME
Danielle E Daskam
NOTARY PUBLIC in and for the State of
Washington, residing at Enumclaw
My Commission Expires: 10-25-2009